

**AN ORDINANCE RELATING TO THE FISCAL AFFAIRS OF REINVESTMENT ZONE NUMBER SIX, CITY OF HOUSTON, TEXAS (EASTSIDE ZONE); APPROVING THE FISCAL YEAR 2020 OPERATING BUDGET FOR THE ZONE; CONTAINING FINDINGS AND OTHER PROVISIONS RELATED TO THE FOREGOING SUBJECT; AND DECLARING AN EMERGENCY.**

\* \* \* \* \*

**WHEREAS**, the City created Reinvestment Zone Number Six, City of Houston, Texas ("Zone" or "Eastside") by Ordinance No. 97-59 effective on January 21, 1997; and

**WHEREAS**, the City's Chief Development Officer has submitted to the City Council a Fiscal Year 2020 Operating Budget for the Zone ("Budget") that the City Council desires to approve; **NOW, THEREFORE**,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:**

**Section 1.** That the findings contained in the preamble of this Ordinance are determined to be true and correct and are hereby adopted as part of this Ordinance.

**Section 2.** That the Budget attached hereto as Exhibit "A" is hereby approved for the Zone.

**Section 3.** That not later than March 31, 2020, the Zone shall, in cooperation with City representatives: (1) identify surplus funds in the Zone's Fiscal Year 2020 Operating Budget based on the difference between Zone revenues and the Fiscal Year 2020 Operating Budget approved by the City; and (2) make available any surplus Zone funds, through appropriate agreement, for projects identified by the City that are eligible for tax increment funding, such as affordable housing, areas of public assembly,

incremental costs of municipal services attributable to development and redevelopment in the Zone, and capital projects that benefit the City and the Zone. The agreement may provide for the payment of surplus funds into one or more accounts established by the City or may provide for direct payment by the Zone for that purpose. The Zone shall consider amendments to the Zone Project Plan and Reinvestment Zone Financing Plan that may be necessary to accomplish this purpose, and shall expedite any such amendments.

**Section 4.** That the approval of this Budget is contingent upon receipt by the City's Chief Development Officer of a document signed by the Administrator of the Zone disclosing the name of each owner or developer of property within the Zone from which the Administrator has received compensation during the last five calendar years, and the amount of compensation by owner by year. Compensation may be expressed by category as follows:

Category I	Less than \$1,000.00
Category II	At least \$1,000.00 but less than \$10,000.00
Category III	At least \$10,000.00 but less than \$50,000.00
Category IV	At least \$50,000.00 but less than \$100,000.00
Category V	At least \$100,000.00 but less than \$500,000.00
Category VI	At least \$500,000.00 but less than \$1,000,000.00
Category VII	\$1,000,000.00 or more

**Section 5.** That there exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the Mayor fails to sign this Ordinance within five days after its passage and adoption, it shall

take effect in accordance with Article VI, Section 6, Houston City Charter.

**PASSED AND ADOPTED** this 16<sup>th</sup> day of October, 2019.

**APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is OCT 22 2019.

AT J. Harrel  
City Secretary **Assistant**

(Prepared by Legal Department Mary Brink)  
(MFB:ems October 1, 2019 Senior Assistant City Attorney)  
(Requested by Andrew F. Icken, Chief Development Officer)  
(L.D. File No. 0421300161007)

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CAPTION PUBLISHED IN DAILY COURT  
 REVIEW DATE: **OCT 22 2019**

AYE	NO	
✓		MAYOR TURNER
....	....	COUNCIL MEMBERS
✓		STARDIG
✓		DAVIS
✓		COHEN
✓		BOYKINS
ABSENT-ON PERSONAL BUSINESS		MARTIN
✓		LE
✓		TRAVIS
✓		CISNEROS
✓		GALLEGOS
✓		LASTER
✓		CASTEX-TATUM
✓		KNOX
✓		ROBINSON
✓		KUBOSH
✓		EDWARDS
✓		CHRISTIE
CAPTION	ADOPTED	

**EXHIBIT "A"**

**Fiscal Year 2020 Operating Budget for the Eastside Zone**

CITY OF HOUSTON  
ECONOMIC DEVELOPMENT DIVISION  
FISCAL YEAR 2020 BUDGET PROFILE

Fund Summary  
Fund Name: **Eastside**  
TIRZ: **06 - Eastside Zone**  
Fund Number: **7554/50**

P R O F I L E	Base Year:	1997
	Base Year Taxable Value:	\$ 391,540,000
	Projected Taxable Value (TY2019):	\$ 840,523,525
	Current Taxable Value (TY2018):	\$ 808,195,697
	Acres:	769.98
	Administrator (Contact):	City of Houston
	Contact Number:	(832) 393-0985

N A R R A T I V E	<b>Zone Purpose:</b>
	Tax Increment Reinvestment Zone Number Six, City of Houston, was created to build a shared educational facility and to encourage further industrial development within the Zone. The new shared educational facility would alleviate overcrowding at Stephen F. Austin and Milby High School, and provide the City with ball fields, tennis courts and other outdoor recreational areas for municipal recreational purposes.

P R O J E C T  P L A N		Total Plan	Cumulative Expenses (to 6/30/18)	Variance
	Capital Projects:			
	Shared Educational Facilities	\$ 45,957,500	\$ 29,345,182	\$ 16,612,318
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	<b>Total Capital Projects</b>	\$ 45,957,500	\$ 29,345,182	\$ 16,612,318
	Affordable Housing	-	-	-
	School & Education/Cultural Facilities	-	-	-
	Financing Costs	-	-	-
	Administration Costs/ Professional Services	885,000	-	885,000
	Creation Costs	-	-	-
	<b>Total Project Plan</b>	\$ 46,842,500	\$ 29,345,182	\$ 17,497,318

D E B T	Additional Financial Data	FY2019 Budget	FY2019 Estimate	FY2020 Budget
	<u>Debt Service</u>	\$ -	\$ -	\$ -
	Principal	\$ -	\$ -	\$ -
	Interest	\$ -	\$ -	\$ -
		<b>Balance as of 6/30/18</b>	<b>Projected Balance as of 6/30/19</b>	<b>Projected Balance as of 6/30/20</b>
	<u>Year End Outstanding (Principal)</u>			
	Bond Debt	\$ -	\$ -	\$ -
	Bank Loan	\$ -	\$ -	\$ -
	Line of Credit	\$ -	\$ -	\$ -
	Developer Agreement	\$ -	\$ -	\$ -
	Other	\$ -	\$ -	\$ -

CITY OF HOUSTON  
ECONOMIC DEVELOPMENT DIVISION  
FISCAL YEAR 2020 BUDGET DETAIL

Fund Summary  
Fund Name: **Eastside**  
TIRZ: **06 - Eastside Zone**  
Fund Number: **7554/50**

TIRZ Budget Line Items	FY2019 Budget	FY2019 Estimate	FY2020 Budget
<b>RESOURCES</b>			
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Bond Debt Service	\$ -	\$ -	\$ -
UNRESTRICTED Funds	\$ -	\$ -	\$ -
<b>Beginning Balance</b>	\$ -	\$ -	\$ -
City tax revenue	\$ 2,391,081	\$ 2,452,145	\$ 2,542,214
County tax revenue	\$ -	\$ -	\$ -
ISD tax revenue	\$ 5,156,871	\$ 5,039,119	\$ 5,301,511
ISD tax revenue - Pass Through	\$ 1,309,431	\$ 1,304,416	\$ 1,433,750
Community College tax revenue	\$ -	\$ -	\$ -
<b>Incremental property tax revenue</b>	\$ 8,857,383	\$ 8,795,680	\$ 9,277,475
	\$ -	\$ -	\$ -
<b>Miscellaneous revenue</b>	\$ -	\$ -	\$ -
COH TIRZ interest	\$ -	\$ -	\$ -
Interest Income	\$ -	\$ -	\$ -
<b>Other Interest Income</b>	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>Grant Proceeds</b>	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>Proceeds from Bank Loan</b>	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>Contract Revenue Bond Proceeds</b>	\$ -	\$ -	\$ -
<b>TOTAL AVAILABLE RESOURCES</b>	\$ 8,857,383	\$ 8,795,680	\$ 9,277,475

CITY OF HOUSTON  
ECONOMIC DEVELOPMENT DIVISION  
FISCAL YEAR 2020 BUDGET DETAIL

Fund Summary  
Fund Name: Eastside  
TIRZ: 06 - Eastside Zone  
Fund Number: 7554/50

TIRZ Budget Line Items	FY2019 Budget	FY2019 Estimate	FY2020 Budget
<b>EXPENDITURES</b>			
Accounting	\$ -	\$ -	\$ -
Administration Salaries & Benefits	\$ -	\$ -	\$ -
Auditor	\$ -	\$ -	\$ -
Bond Services/Trustee/Financial Advisor	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -
Office Administration	\$ -	\$ -	\$ -
<b>TIRZ Administration and Overhead</b>	\$ -	\$ -	\$ -
Engineering Consultants	\$ -	\$ -	\$ -
Legal	\$ -	\$ -	\$ -
Construction Audit	\$ -	\$ -	\$ -
Planning Consultants	\$ -	\$ -	\$ -
<b>Program and Project Consultants</b>	\$ -	\$ -	\$ -
<b>Management consulting services</b>	\$ -	\$ -	\$ -
Capital Expenditures (See CIP Schedule)	\$ -	\$ -	\$ -
<b>TIRZ Capital Expenditures</b>	\$ -	\$ -	\$ -
<b>Developer / Project Reimbursements</b>	\$ -	\$ -	\$ -
Bond Debt Service (Series ##)	\$ -	\$ -	\$ -
Principal	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -
<b>System debt service</b>	\$ -	\$ -	\$ -
<b>TOTAL PROJECT COSTS</b>	\$ -	\$ -	\$ -
Payment/transfer to ISD - educational facilities	\$ 5,131,871	\$ 5,014,119	\$ 5,276,511
Payment/transfer to COH - educational facilities	\$ 2,391,081	\$ 2,452,145	\$ 2,542,214
Payment/transfer to ISD - educational facilities (Pass Through)	\$ 1,309,431	\$ 1,304,416	\$ 1,433,750
Payment/transfer to ISD - Interest	\$ -	\$ -	\$ -
Administration Fees:			
City	\$ -	\$ -	\$ -
County	\$ -	\$ -	\$ -
ISD	\$ 25,000	\$ 25,000	\$ 25,000
HCC	\$ -	\$ -	\$ -
Affordable Housing:			
City	\$ -	\$ -	\$ -
County	\$ -	\$ -	\$ -
ISD to City of Houston	\$ -	\$ -	\$ -
Municipal Services (Payable to COH)	\$ -	\$ -	\$ -
<b>Total Transfers</b>	\$ 8,857,383	\$ 8,795,680	\$ 9,277,475
<b>Total Budget</b>	\$ 8,857,383	\$ 8,795,680	\$ 9,277,475
RESTRICTED Funds - Capital Projects	\$ -	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Bond Debt Service	\$ -	\$ -	\$ -
UNRESTRICTED Funds	\$ -	\$ -	\$ -
<b>Ending Fund Balance</b>	\$ -	\$ -	\$ -
<b>Total Budget &amp; Ending Fund Balance</b>	\$ 8,857,383	\$ 8,795,680	\$ 9,277,475

Notes: